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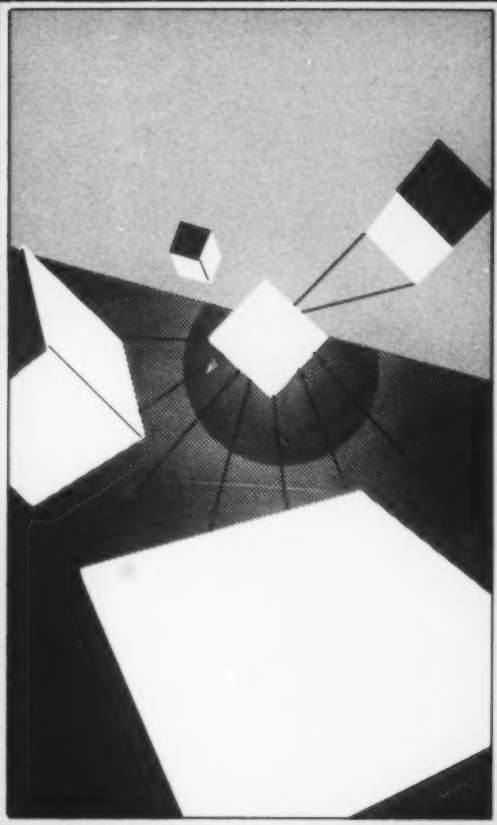
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## ABSTRACT

An overview of policy level initiatives for teacher incentive plans in seven north central states--Illinois, Indiana, Iowa, Michigan, Minnesota, Ohio, and Wisconsin--is provided in this report. Contents include a discussion of types of incentive plans and factors for planning, implementation, and governance; a summary of state initiatives; and discussion of policy issues, such as legal aspects, teacher salaries and cost considerations, teacher competency testing, and recommendations for policy development. Appendices contain information on regional enrollment and hiring trends, the scope of collective bargaining, teacher salaries and cost considerations, and teacher testing and evaluation. Six tables and 15 figures are included. (5 references) (LMI)

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CALL FOR TEACHER INCENTIVES

**TEACHER INCENTIVES:  
STATE LEVEL INITIATIVES  
IN THE NCREL REGION**

By

**Carol A. Bartell**

The University of Iowa

**One in a Series of Reports on  
Attracting Excellence: The Call for Teacher Incentives**

1987



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**Teacher Incentives:  
State Level Initiatives  
In the NCREL Region**

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## Preface to Series

How can the best and brightest among college students be encouraged to enter teacher preparation programs? What does it take to recognize, reward, and retain outstanding educators in elementary and secondary schools? Why do some educators invest more of themselves in developing their professional skills? The questions are myriad.

And as frequently as someone poses a question, another recommends an answer: introduce career ladders and mentoring systems; raise standards and salaries for entry into teaching; strengthen graduate and undergraduate programs of professional development; identify the most superior professionals with better tests and performance evaluation systems.

Debated and considered by policy makers, educators, scholars, and taxpayers, such questions and answers have been at the heart of educational reform initiatives nationwide for the past several years. And, in the same period, many innovative programs to provide incentives to educators have been introduced. Numerous states and local districts, including many in the region served by the North Central Regional Educational Laboratory (NCREL), have considered or taken action to implement incentive policies and programs.

In response to considerable interest in the theme of incentives among constituents in the region, NCREL initiated activities to develop information resources and encourage related research early in 1986. The first activity involved reviewing relevant literature and developing a framework to guide future conceptual work and strategies. The framework first was employed to describe significant themes and issues apparent in policies and programs of state governments. Several papers regarding policy issues on incentive programs were presented and discussed at a seminar held in 1986.

In 1987, the focus of Laboratory activities began to shift from initiatives taken by states to programs in local school districts. A survey of districts in all seven states of the region and case studies to create profiles of a small number of district-level programs comprised the next phase of activity.

Many, many people have contributed to NCREL's work on the theme of incentives for teachers and other educators. Participants in the 1986 seminar, and authors and reviewers of various products have provided, sifted, considered, and translated what has become a significant pool of information.

Although all who have joined this effort have made important contributions, special credit is due to Dr. Carol Bartell of the University of Iowa's College of Education. Her interest in identifying difficult issues and promising programs was equalled only by her dedication to sharing what she was learning with educators, policy makers, and other scholars.

Art Dorman, Graduate Research Assistant at the University of Iowa, and Nancy Fulford, Program Associate at the Laboratory, also deserve special credit for contributing to the development of this product series.

NCREL is proud to publish this series of products.

Jane H. Arends  
Executive Director

Harriet Doss Willis  
Deputy Executive Director

Judson Hixson  
Director, R&D Resource Development

## Policy-Level Initiatives

Reform measures in education have abounded at the state level in recent years. One area that has received considerable attention in current reform efforts is the teaching profession itself. Concerns about the quantity and quality of the teacher workforce have generated some important questions.

- Will we have enough well-qualified, highly-motivated individuals who will be willing to enter and remain in the profession?
- Is the current workforce encouraged to perform up to its potential and rewarded for outstanding performance?
- What can be done to attract, retain, and motivate a competent teacher workforce of a sufficient size to staff the schools in our states?

A variety of state-level initiated teacher incentive plans have been introduced all over the nation to address these concerns. By the end of 1986, twenty-nine states had implemented large-scale statewide teacher incentive programs, provided state funding for locally developed plans, were pilot testing models, or had state board of education or legislative mandates to develop performance-based incentive programs for teachers and school administrators (Cornett, 1986). Since that time, other states have also considered or adopted incentive plans.

The states in the region served by the North Central Regional Educational Laboratory (NCREL)--Illinois, Indiana, Iowa, Michigan, Minnesota, Ohio, and Wisconsin--have taken various steps to enhance teaching as a profession within their own boundaries. This report provides an overview of the various policy level initiatives related to incentives for teachers and the context within which planning for these incentive programs takes place.

This report is based upon information collected from various state education agencies between September 1986 and January 1987 and reviewed and updated by agency staff in June 1987. It is important to note that legislation and policy proposals are pending in each of the seven states surveyed. Therefore, the information included in this report should be considered current only as of June 1987.

### Incentive Planning

An incentive is that which induces, motivates and encourages participation or performance. It implies an external influence that would offer something desired in order to produce a certain behavior (Bartell, 1986). Incentive planning, therefore, requires that consideration be given to what it is that motivates teacher behavior. What is it that induces, motivates and encourages persons to select teaching as a career, remain contributing members of the profession, and continue to grow, develop and improve their skills?

Incentives as inducements to behavior are highly subjective and value-related. What serves as a motivator for one person or group of persons does not always become an incentive that would motivate another; if one does not value something, the possible receipt of it can hardly be a motivator. Incentives can be strongly or weakly valued or fall somewhere along a continuum. Incentives may complement or compete with one another. If one has many reasons for acting a certain way and few reasons to exhibit opposing behavior, that person is most likely to behave in a manner which satisfies the dominant motivational factors.

Quantity concerns and quality concerns are of equal importance in addressing incentive planning. First, teachers must be recruited in sufficient numbers to fill existing needs. Secondly, and perhaps more importantly, in order to provide the best possible education for all the children in our states, these teachers must be well-trained, competent, and able to motivate and encourage educational growth and achievement for the diversity of students in today's schools.

What does it take to attract, retain, and encourage such a workforce? What do teachers want from their profession? Policymakers at the state level have introduced plans based on some assumptions about what motivates teachers. Current incentive plans assume that teachers want the following things out of their profession:

1. They want to be adequately compensated.
2. They want to achieve a certain level of professional status.
3. They want to be recognized for their achievements.

4. They want to assume gradually increasing levels of professional responsibilities.
5. They want the conditions under which they work to support their performance.

Such incentives must also be viewed in terms of the needs of schools and of society. Community needs dictate that incentives must be provided to attract competent individuals who are trained in appropriate areas. A workforce must be provided to work in all geographic locations and in a variety of school settings. These individuals should demonstrate a willingness to grow professionally and to assume increasing levels of responsibilities as they prepare students for an increasingly complex and rapidly changing society.

Incentive planning, therefore, involves finding ways to provide what is desired by those who teach or would teach with the resources available and within the existing constraints in ways that also meet the demands of society.

#### Types of Incentive Plans

A wide variety of incentive plans can be found across the nation and in this particular region. Plans differ in intent and in what are viewed as teacher motivators. Some general categories of plans are reviewed here; however, even within categories, plans differ in their design and implementation.

The first category of plans revolves around monetary compensation. Teacher salaries can be adjusted to make entry and longevity in the profession more attractive and the range and choice of collateral benefits may be improved. Market-sensitive pay has been suggested as a way to attract teachers into critical shortage areas or to specific locations. Bonuses can be provided to reward outstanding teacher performance or for other purposes. Grants, sabbaticals, and pay for additional training could be a monetary incentive, although there are other incentives involved here. Another modification in the traditional pay scale is the design of differing salaries based on job factors, or a "comparable worth" scheme. Pay for superior performance, or merit pay is another plan that has been tried.

The second type of plan attempts to change teacher status in some way. It offers opportunities for teachers to advance within the teaching profession. Career ladders, or career development plans offer this opportunity. Under these plans, the most competent teachers are selected to move up to a new status or level and assume different or additional responsibilities. Additional responsibilities may include such things as working with beginning teachers, conducting staff inservice activities, developing curriculum, acting as a peer evaluator, becoming a grade level or content area supervisor, or any number of tasks. Other plans to raise status can be directed toward raising the status of all teachers by giving them more visibility, more input into decision-making, and recognizing their achievements.

The third type of plan focuses on the recognition described above (which could also change the status of the teacher). Recognition programs include teacher of the week/month/year programs, awards and recognition for special achievement, favorable press coverage, grant awards for instructional improvements, one-time bonuses for effective performance, teacher-appreciation dinners, and verbal recognition of teacher accomplishments.

A fourth type of plan addresses professional responsibilities that may serve to motivate teachers. Mentor or master teacher plans would fall into this category. Here teachers are given the opportunity to assume a new role and share their own knowledge and experience. These opportunities may or may not carry increased remuneration and they do not necessarily change a teacher's status. Other expanded responsibilities include special projects developed and implemented by teachers themselves, summer employment opportunities within or outside of the teaching profession, or attendance and participation in professional meetings. Ongoing opportunities for meaningful professional growth and development are also important incentives for teachers.

Perhaps the most comprehensive type of plan is the fifth area to be addressed, the conditions of the workplace. Teachers need a supportive environment, including support from peers, supervisors, administrators, parents, and school board members. They need to have a role in decision-making. They want to be represented on committees and commissions, including those at the state level. Issues and problems

related to class size and course loads need to be addressed, as well as the need for appropriate and sufficient instructional materials and supplies. Serious discipline problems need to be addressed, and non-instructional duties should be reduced. Work space and preparation assistance should be provided.

Incentive planning, then, involves giving attention to a wide range of motivators that attract, retain, and encourage teacher participation and performance.

### State Level Responsibilities

Much of what can be done in the area of incentives for teachers takes place at the local district level. What then is the state level responsibility in this area?

State level policies can play a major role in the development of incentive plans. Legislation has been passed in a number of states mandating or permitting the establishment of such plans, along with providing funding for certain kinds of incentive plans in school districts. In addition to providing a legal framework, state government can provide leadership in the development of incentive plans by providing seed money, technical assistance and training to local school district personnel.

Other state laws and policies can have a significant impact on the development of incentive plans by local school districts. However, state initiatives can serve to not only to encourage but also to constrain the development of teacher incentive plans. State laws addressing collective bargaining, tenure rights of teachers, compensation of teachers, and evaluation of teacher performance will determine what states and local education agencies must consider in the design of such plans.

Political and demographic factors will also have an impact on decision-making in the area of teacher incentives at the state level. Such factors are explored in this report in an examination of the context for state-level policymaking in the NCREL region.

### State Governance Models

The responsibility for implementation and oversight of much of the reform that has been pursued by governors and passed by state legislatures rests largely with the state education agencies.

State education agencies serve two major functions; one role is administrative and the other is that of policy formulation. These responsibilities are managed by the state board of education and the chief state school officer, and are further exercised through relationships with the governor and the legislature. Such relationships are influenced in part by existing governance models in each state.

State governance models within the NCREL region reflect six basic approaches:

- |            |                                                                                         |
|------------|-----------------------------------------------------------------------------------------|
| Model I:   | Board elected in partisan election<br>Chief appointed by board<br>(Michigan)            |
| Model II:  | Board elected in non-partisan election<br>Chief appointed by board<br>(Ohio)            |
| Model III: | Board appointed by the governor<br>Chief appointed by the board<br>(Illinois)           |
| Model IV:  | Board appointed by the governor<br>Chief elected in partisan election<br>(Indiana)      |
| Model V:   | Board appointed by the governor<br>Chief appointed by the governor<br>(Minnesota, Iowa) |
| Model VI:  | No state board<br>Chief elected in non-partisan election<br>(Wisconsin)                 |

How are educational reform measures initiated and pursued in each state? The governance model in the state would be one factor that determines the locus of state-initiated reform, and the extent to which all those in leadership roles can reach consensus on the paths to take in improving teaching and schools. For example, a chief

state school officer elected independently of a governor, such as in Indiana and Wisconsin, might have one reform agenda while the governor may have another. In Minnesota, where the board of education and the chief state school officer are both appointed by the governor, the will of the governor would undoubtedly be reflected in the actions of the board and the chief.

Governance models are only one ingredient in the recipe for reform in each particular state.

### Enrollment Trends

Another factor to consider in the implementation of teacher incentives is the need for teaching staff based on enrollment figures.

Declining enrollment in this seven-state area has had an impact on schools and on the teaching force needed to staff the schools. Table 1 displays public school enrollment figures as reported by each State Education Agency. The percentage of change over each previous year is also calculated. Figures 1-7 contain graphic representation of these five year enrollment trends for each of the NCREL states. (See Attachment A.)

Because of declining enrollments, states in this region have perhaps not felt the impact of the impending teaching shortage as have states in other parts of the country, where enrollment is more stable, or is even on the increase. Despite an apparent lack of concern about overall numbers of teachers available to meet present enrollment demands, there is beginning to be a concern about future needs and teacher quality. There are also growing concerns about attracting teachers to rural or inner-city, urban areas, and as well as finding competent teachers for the traditionally hard-to-fill subject areas, such as math, science, and the computer sciences.

It should also be noted that the declining public school enrollments indicated above will mean that fewer students will enter colleges and universities, thus reducing the pool of candidates from which to draw possible education majors.

### New Teacher Hires

Each state in the region reported the number of new teachers hired during the past five years. Table 2 and Figures 8-14 in Attachment B depict these data.

It is interesting to note that, despite declining enrollments, there has been an overall increase in the number of new teachers hired in all states during the last five years. The largest number of new teachers hired in all states occurred in the last two years.

The state of Michigan has shown the sharpest increase in recent years. This was due in part to the rehiring for positions that had been cut in the previous years, during times of real economic decline. Other increases in teacher hires were explained by an aging teaching force with large numbers of retirements, teachers entering administrative positions, or leaving the profession entirely.

When districts experience declining enrollments, a parallel decline in the workforce does not always follow. Instead, class sizes may simply shrink.

Despite the evidence of declining enrollments, states in this region have found it necessary to continue to expand the teacher workforce. They have also been concerned about the quality of performance of that workforce, as evidenced by the attention given to teacher incentives in recent years.

## Summary of State Initiatives on Incentives

The North Central Regional Educational Laboratory has conducted a study to determine what initiatives are being taken at the state level in its region to address the planning, design, oversight, and funding of teacher incentive plans. Senior officials in each State Education Agency were interviewed to obtain information about pertinent legislation, policies, guidelines, rules, regulations and administrative structures in that particular state. On-site interviews were conducted with others who were knowledgeable about legislation and policy addressing teacher incentives in each state. This data was supplemented with other information provided in telephone conversations and through document analysis.

The following is a summary of state actions in the area of teacher incentive planning in the seven-state NCREL region.

### Illinois

The legislature funded a master teacher program for 1984-1985 that provided stipends of \$1000 to each of 500 teachers in the state. These teachers were selected by regional committees and had responsibility for instruction of other teachers three days a year. This program was not renewed in 1986.

SB 730 was signed into law in August of 1985, establishing some important educational reforms. This bill included a wide range of incentive plans. The Center for Excellence in Teaching was established to explore alternative approaches to rewarding excellence in teaching and to permit study of a variety of models. Illinois school districts and co-operating universities submitted proposals for planning grants in 1985-86. Teacher input was required to be a part of the design. Four pilot projects in 1986-87 were funded at the \$1 million level.

The common focus of these plans was the establishment of a structure to reward teachers for superior effort, achievement, or leadership. Levels of compensation are generally related to teacher performance. State level technical assistance, primarily in the form of program review, oversight, and evaluation was provided for the pilot programs.

Another recently implemented set of incentives is aimed at recruitment of personnel in high-need areas. Scholarships are available for students to be trained in mathematics, natural and physical sciences, reading, early childhood, bilingual education, social/emotional disorders, speech and language impaired, and English as a second language. Scholarships have also been provided for women and minorities who wish to prepare for careers in administration. In 1985-1986, 290 awards averaging \$805.17 each (a total of \$233,500) were made for teachers in shortage areas and 229 participants received an average of \$574.24 each (a total of \$131,500) for women and minorities in administration.

Teacher preparation programs have also received some attention in current reform efforts. Procedures have been adopted to insure that students entering teacher training programs are proficient in mathematics, reading, and language arts.

There is a state minimum teacher salary, but it is so low that it serves little effective purpose as an incentive (\$10,000 for a beginning B.A. teacher and \$11,000 for a beginning M.A. teacher). Ninety-seven percent of Illinois school districts have adopted a salary schedule with consideration given for level of education and years of experience.

### Indiana

Provisions for incentives in Indiana were included in P.L. 201-1985, which created the Teacher Quality and Professional Improvement Program. This was established to "review the salary and reward structure for teachers and to identify and develop methods to confer honor upon the teaching profession and upon individual teachers in Indiana" (20-6.1-7. SEC.1). \$6 million was appropriated for the purpose of piloting career ladder programs, designing professional improvement opportunities for teachers, and developing programs for recognition and reward structures. Plans were locally designed and all require an external evaluation component.

In mid-1987, a far-reaching educational reform bill was passed which included many incentives for schools and for teachers. H.B. 1360 included at least 40 different amendments to the Indiana Code and it is estimated that spending for K-12 education

during the next biennium will be \$4.51 billion. The plan includes provisions for mentor teachers to assist beginning teacher for a \$600 stipend, \$20 million to be allocated to a merit schools program, extends the school year by 5 days, and provides additional funding for "at-risk" students. It also establishes strong measures of accountability, tying school accreditation to student performance and other outcome measures.

Prime-Time is a program targeting incentives toward excellence in early childhood classrooms. It was designed in 1981 to improve the quality of instruction in the early grades (K-3) by reducing the pupil/teacher ratio to 18:1.

Another incentive plan is known as the Indiana Endowment for Educational Excellence. This provides \$2,500,000 for fellowships for professional development.

A tax incentive program was instituted to encourage businesses to employ teachers during the summer months. A teacher-of-the-year program provides a \$1000 award.

#### Iowa

Iowa has developed a plan of incentives for students who are prospective teachers. Since January of 1985, \$60,000 has been appropriated for repaying student loans for those currently teaching science or mathematics. \$1000 is forgiven for each year the teacher remains in the classroom.

Money has also been appropriated to retrain teachers in the critical areas of math and science. \$1500 per year is forgiven for a total of two years of full-time teaching.

In order to give attention to the quality of teacher training in the state, the Department of Education, beginning in September, 1987, will review institutional standards for admission to teacher education programs.

A task force in the 1985 legislative session proposed a career ladder system that would have been related to a four-tiered certification structure. The career ladder plan was not adopted, but a certification system was adopted for implementation in 1988. This

new framework provides for a three-step ladder of provisional certificate, educational certificate, and renewable professional certificate.

In 1987, the legislature passed and the governor signed H.F. 499, allocating an additional \$92.5 million to teacher salaries. Phase I is aimed at recruitment of quality teachers, raising all beginning teacher salaries to \$18,000. Phase II is directed toward the retention of quality teachers, and supplements the salaries of all teachers in the state, funded on a per-pupil basis. Phase III provides money for performance-based pay, or pay for additional training or work assignments. In order to receive Phase III monies, school districts must submit their plan for approval by the State Department of Education.

#### Michigan

A recently released report (October, 1986) was produced by an advisory committee appointed by the State Board of Education. "Seizing the Opportunity: A Time for Commitment" is intended to prompt both legislative initiatives and SEA policy-making. It calls for action on several fronts: assurance of sufficient financial investment in teachers and teacher education; recruiting quality teachers to all areas of the state; enhancing the quality of school leadership; assuring quality teacher education programs; and providing appropriate physical conditions and a professional climate in which teachers perform their work.

Current teacher salaries in Michigan are among the highest in the nation. However, these salaries are locally determined, resulting in significant inequities among school districts. There is a concern about the level of salaries offered in the poorer districts, which tend to be located in rural and inner city areas. Thus, recruitment and retention in these areas are receiving some consideration.

At the present time, \$2 million has been appropriated to provide retraining opportunities for teachers in the areas of math, science, and computer education as well as special training for current and prospective middle school teachers. H.B. 4380 established a student loan forgiveness fund for this purpose.

Another area under review is the standards for teacher education programs. Both entrance requirements for education majors and the quality of teacher preparation programs are being examined.

New certification requirements were adopted in 1986 and included requirements for continuing education.

Michigan also participates in a teacher-of-the-year program.

#### Minnesota

This state has not passed legislation focusing on teacher incentives. As in Michigan, salaries are currently above the national average and felt to be a matter for local determination.

Local districts have, however, been given discretionary power to adopt their own incentive programs using local district funds. The State Board of Teaching, an autonomous, appointed board that handles teacher certification, has furnished a certain amount of guidance for developing programs. Nine members of this board are educators and seven of the nine are teachers. State technical assistance is also provided through the regional service centers (Education Cooperative Service Units). Local districts may also target a portion of foundation aid for recognition of exemplary teachers.

Minnesota has not experienced teacher shortages, even in the rural areas. The problem in the rural areas is finding people with the right combination of specialties. To rectify this, more districts are sharing teachers with such needed specialties. New legislation is being introduced to encourage these efforts.

A Higher Education Omnibus Bill appropriated \$75,000 for the fiscal year to support a task force on teacher education programs. This task force recently issued a report recommending improvements in teacher education programs. Grants of \$150,000 have also been awarded for each of the fiscal years of 1986 and 1987 to post-secondary institutions. These institutions are to develop exemplary programs that are to be conducted jointly with one or more school districts.

Incentives have also been targeted toward technology demonstration sites. In 1986-87, these sites received a total of \$2.3 million for teacher training, curriculum development, and use of technology in education.

### Ohio

Legislative recommendations made by the State Board of Education in December of 1986 include an increase in the minimum teacher salary and expanded subsidies for local inservice activities and planning practices.

A State Board initiative calls for raising the minimum salary for beginning teachers to \$16,000 in FY 88 and \$17,000 in FY 89, to address current and future teacher shortages. The program has been funded at \$1.5 million for 1986-87 and at \$2 million for 1987-88.

The Ohio Teacher Education and Certification Advisory Commission recommended to the State Board of Education the subject areas and geographic regions to be targeted for special subsidies. For the first year, the subject areas were mathematics, foreign languages, and physical sciences. The geographic regions were the major metropolitan areas and the 28 Appalachian counties.

New certification requirements have been adopted with three levels: Provisional, Professional, and Permanent. An entry year internship program has been initiated to help support beginning teachers.

A Master Plan for Excellence was developed by the State Board of Education that incorporates recommendations for various incentives. It included an emphasis on teaching fundamental concepts of technology to teachers, extending the contract by two weeks to provide more in-service education activities, and the establishment of a career ladder program, a peer review program, and a mentor teacher system. No legislative action has been taken on this plan to date.

The teacher role in decision making at the state level is evidenced in The Teacher Advisory Committee to the State Superintendent. This committee has provided input into many activities of the Department and has co-sponsored, with the Department, a statewide Teacher Forum.

### Wisconsin

The Department of Public Instruction has developed guidelines for district planning for teacher incentives. This "Teacher Incentives Pilot Project" is designed to plan, develop, and administer a series of pilot projects which model different types of incentive plans. They include: (1) incentives and innovations for training new teachers and for staff development, (2) incentives for retaining teachers in their profession through the development of career ladder structures, (3) incentives for retaining teachers through monetary and non-monetary awards, and (4) combinations which link the three levels of incentives. The funding level for eight districts piloting these programs during 1985-86 was \$1,070,000.

On-going growth and development is a concern of the legislature. Wisconsin Statute 121.02(1)(b) requires that a school district "provide a planned, continuous in-service program for the professional staff" according to criteria established by the Department of Public Instruction. Teaching certificates are renewable only upon completion of six semester credits or the equivalent.

An awards program has been established which grants four annual \$1000 teacher-of-the-year awards.

## Policy Issues

### Legal Aspects

Statutes and judicial decisions, both at the state and federal level, have developed a complex legal framework within which all reform efforts must be formulated and implemented. Teacher incentive plans need to be designed so as prevent the unnecessary burden on time and resources that invariably accompanies litigation.

Bedner (1985) identifies the essential elements of preventative legal review that should accompany such planning

1. Identify the legal risks.
2. Evaluate the legal issues.
3. Analyze the proposed policy to reduce the risk of legal challenge.
4. Modify the proposed policy.

The most fertile ground for potential legal conflict in the implementation of teacher incentive plans will fall in the area of collective bargaining, due process (both substantive and procedural) and equal protection (encompassing sex, race and age).

Collective bargaining legislation will impact on the teacher evaluation procedures designed to identify teachers who are to be the recipients of various incentives; the promotion and assignment of teachers to specific roles; and the salaries paid to teachers in the performance of their duties. Each state needs to consider the scope of bargaining as defined by state law; the state cannot usurp the rights of teachers in this area without first modifying the legislation. If, for example, salaries are a matter to be determined through the collective bargaining process, as they indeed are in each of the seven states in this region, states cannot interfere with this process, mandating differences in salary levels of teachers who are performing essentially the same duties in a school district.

The scope of negotiations is essentially a question for legislative guidance. Each state in the NCREL region has required by state statute that employers bargain in good faith on a wide range of issues with respect to wages, hours, and other conditions of employment. A summary of the scope of collective bargaining as specified by legislation in each of the states in the NCREL region can be found in Figure 15 in Attachment C. Some states define these terms and conditions rather specifically while others leave them open for interpretation. Such differences are usually thought of as being mandatory (required) or permissive (permitted if agreed to by both sides) items for negotiation. In each state, these matters have evolved in practice and through a body of court challenges and controversies, local politics, and administrative decisions.

On matters that effect educational policy determination, the decision-making authority is usually reserved for management. Figure 15 also outlines the responsibilities reserved according to law for management in each of the NCREL states. Note, however, that Indiana specifies a "duty to discuss" (not bargain) some education policy issues. Minnesota specifies that management "meet and confer" with professional employees on policy issues.

#### Teacher Salaries and Cost Considerations

Teacher salaries and benefits represent the largest percentage of the school budget. There are many ways to examine compensation as an incentive for teachers. Compensation includes not only salaries, but increasingly costly benefits as well.

The salaries paid to teachers are one incentive that is usually thought to be important. For that reason, a presentation of the average entry level salary and average teacher salary in each state as well as the regional averages is made in Table 3 in Attachment D.

Entry level salaries and average teacher salaries in the state represent crude measures of comparison. Average salaries mask some other important considerations, such as length of service of the so-called "average" teacher, and number of steps on the salary schedule that would determine potential earnings.

In another report prepared for NCREL, Ward (1986) presented figures that were calculated to determine what it would cost each state to raise the average teacher salary to \$35,000. This figure was selected rather arbitrarily as a figure that would be more competitive with other occupations with similar training and responsibilities. He projected the additional costs to each state to be substantial (see figures in Table 4, Attachment D). It is not clear that states are willing to devote these amounts of monies to improve teacher salaries or that citizens are willing to support tax increases to do so.

Both monetary and non-monetary incentive plans involve costs. It is difficult to project what these costs will be, since such a wide variety of plans have been presented. If the plans are insufficiently funded, they are likely to be unsuccessful. Policymakers must decide, if funds are limited, where best to target those funds. Shall they be divided among everyone or should access to such rewards be limited so that fewer will earn them, making the rewards more substantial for those who do?

When incentive plans are funded by the state, it is possible to address inequities among districts, targeting monies to achieve other objectives as well. For example, in Iowa, incentive money is provided to encourage certain school district efficiencies while raising teacher salaries. Also, providing money for raising the starting salaries of all teachers to \$18,000, as was done in Iowa, helps poorer districts to compete for the kinds of teachers the more affluent districts are able to hire.

This attention given to the hiring of the best qualified teachers has raised some questions among taxpayers. How can they be sure that they are getting the best teachers available? What is being done to assure quality control? With renewed attention and increased funding for the teaching profession has come more demands for accountability.

#### Teacher Competency Testing

Teachers typically do not consider having to undergo competency testing as an incentive to teach; and for many, it may, in fact, serve as a disincentive. However, the testing of teachers and would-be teachers is an issue of some importance when planning for incentives at the state level. It is one factor that must be considered in the design

of incentives to recruit and retain the most competent teachers available because it offers some measure of quality control, at least at the level of minimum competency.

Various states in the region have addressed this issue, either with legislation or State Board of Education requirements. Table 5 (Attachment E) outlines what has been done with this issue in the region. Some states are now in the process of developing their own certification testing measures, while others have chosen to use the National Teachers' Exam. Iowa and Michigan have not yet decided to incorporate teacher competency testing into their own state plans.

Most of the incentive plans that have been considered or adopted require that teacher performance be evaluated in order to determine who shall be offered incentives or awards. Many teacher concerns have been expressed about teacher evaluation procedures in the past. There is concern that they are fairly implemented and uniformly applied. What have states in the region done to address the issue of teacher performance evaluation? Table 6 (Attachment E) gives an indication as to how this issue is addressed in each state in the region.

#### Implications for Policy Determination

Planning for teacher incentives has proceeded cautiously in this region. This affords an opportunity to examine what has been done in other parts of the country and to draw lessons and implications from other attempts and to adopt what works rather than plans that have been unsuccessful. In an earlier document (Bartell, 1987) some suggestions were given for those who would plan for teacher incentives. They are repeated here.

1. Determine the intent of the incentive plan under consideration. Will it be designed to attract potential teachers, retain the most competent, motivate improvement of all teachers, or enhance the profession of teaching throughout the state/region? Does it tend to focus on one or a combination of the above?
2. Determine the locus of responsibility for the design, oversight, and evaluation of such plans and establish a means of communicating and coordinating efforts at all levels.

3. Involve people throughout the organization in the planning for incentives, particularly at the teacher level, where the impact of such plans will be most directly felt.
4. Consider the contribution to teacher satisfaction and motivation of teacher performance in the design of such plans.
5. Give careful attention to the design of teacher evaluation procedures, including both formative and summative components.
6. Consider cost factors. Do the potential benefits justify the expenditures? Are the expenditures sufficient to meet the intended goals?
7. Include ongoing evaluation of the program, and modify it as seems appropriate.

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- Bartell, C. A. (1987, June). Incentives that enhance the teaching profession: Background paper. Elmhurst, Illinois: North Central Regional Educational Laboratory.
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- Duttweiler, P. C. & Ramos-Cancel, M. L. (1986). Perspectives on performance-based incentive plans. Austin, Texas: Southwest Educational Development Laboratory.
- Ward, J. G. (1986). Financial issues and fiscal responsibilities for teacher incentive plans. In C. Bartell, ed. Proceedings of a seminar on incentives that enhance the teaching profession: A discussion of the policy issues. Elmhurst, Illinois: North Central Regional Educational Laboratory.

**Attachment A:**  
**Enrollment Trends in the NCREL Region**

|          |                                                                                                   |
|----------|---------------------------------------------------------------------------------------------------|
| Table 1  | Public School Enrollment Figures for States in NCREL Region and Percent Change Over Previous Year |
| Figure 1 | Illinois: Student Enrollment Trends for a Five-Year Period                                        |
| Figure 2 | Indiana: Student Enrollment Trends for a Five-Year Period                                         |
| Figure 3 | Iowa: Student Enrollment Trends for a Five-Year Period                                            |
| Figure 4 | Michigan: Student Enrollment Trends for a Five-Year Period                                        |
| Figure 5 | Minnesota: Student Enrollment Trends for a Five-Year Period                                       |
| Figure 6 | Ohio: Student Enrollment Trends for a Five-Year Period                                            |
| Figure 7 | Wisconsin: Student Enrollment Trends for a Five-Year Period                                       |

Table 1 Public School Enrollment Figures for States in NCREL Region and Percent Change Over Previous Year

| State        | Enrollment<br>1981-1982 | Enrollment<br>1982-1983 | Percent<br>Change | Enrollment<br>1983-1984 | Percent<br>Change | Enrollment<br>1984-1985 | Percent<br>Change | Enrollment<br>1985-1986 | Percent<br>Change |
|--------------|-------------------------|-------------------------|-------------------|-------------------------|-------------------|-------------------------|-------------------|-------------------------|-------------------|
| Illinois     | 1,904,759               | 1,860,606               | -2.3%             | 1,831,956               | -1.5%             | 1,813,397               | -1.0%             | 1,805,293               | -.4%              |
| Indiana      | 1,025,172               | 999,542                 | -2.5%             | 984,384                 | -1.5%             | 972,659                 | -1.2%             | 999,106                 | 2.7%              |
| Iowa         | 518,828                 | 505,407                 | -2.6%             | 497,562                 | -1.6%             | 490,924                 | -1.3%             | 485,586                 | -1.1%             |
| Michigan     | 1,728,221               | 1,674,922               | -3.1%             | 1,632,422               | -2.5%             | 1,608,591               | -1.5%             | 1,593,200               | -1.0%             |
| Minnesota    | 727,528                 | 709,307                 | -2.5%             | 698,362                 | -1.5%             | 694,052                 | -.6%              | 697,241                 | .5%               |
| Ohio         | 1,894,021               | 1,855,489               | -2.0%             | 1,827,270               | -1.6%             | 1,805,732               | -1.2%             | 1,793,775               | -.7%              |
| Wisconsin    | 804,262                 | 784,830                 | -2.4%             | 774,646                 | -1.3%             | 767,542                 | -.9%              | 768,234                 | .1%               |
| Region Total | 8,602,791               | 8,391,103               | -2.5%             | 8,246,602               | -1.7%             | 8,152,897               | -1.1%             | 8,142,435               | -.1%              |

Figures provided by State Education Agencies

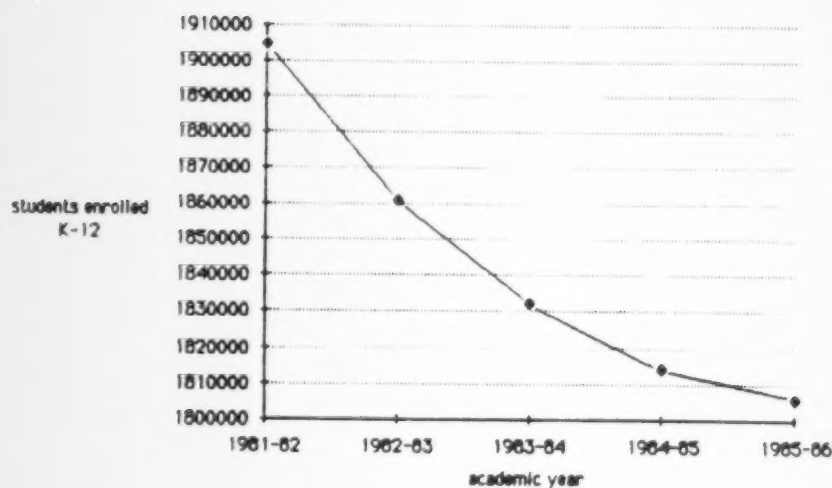


Figure 1 Illinois: Student Enrollment Trends for a Five-Year Period

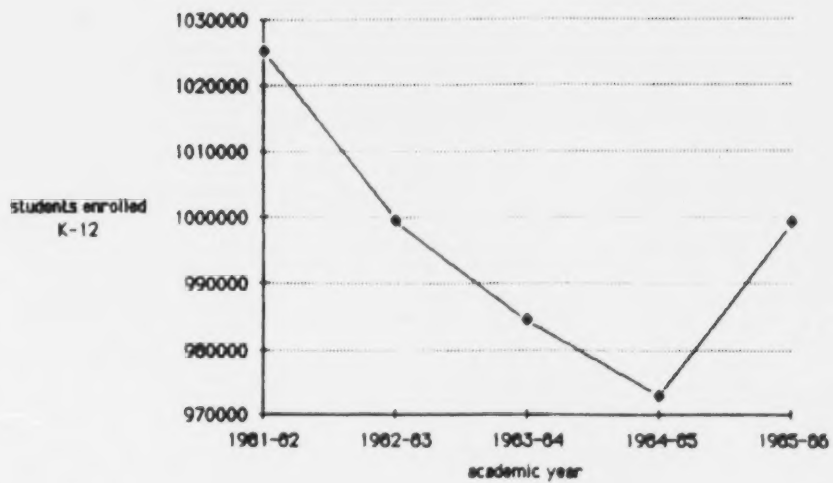


Figure 2 Indiana: Student Enrollment Trends for a Five-Year Period

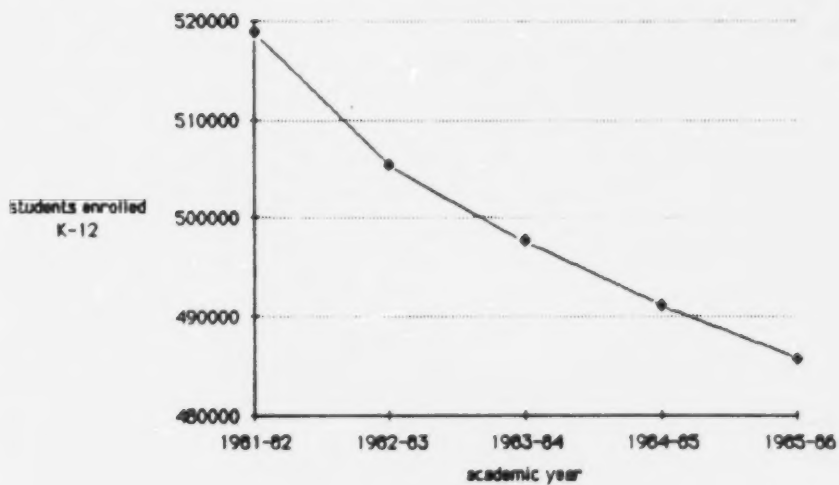


Figure 3 Iowa: Student Enrollment Trends for a Five-Year Period

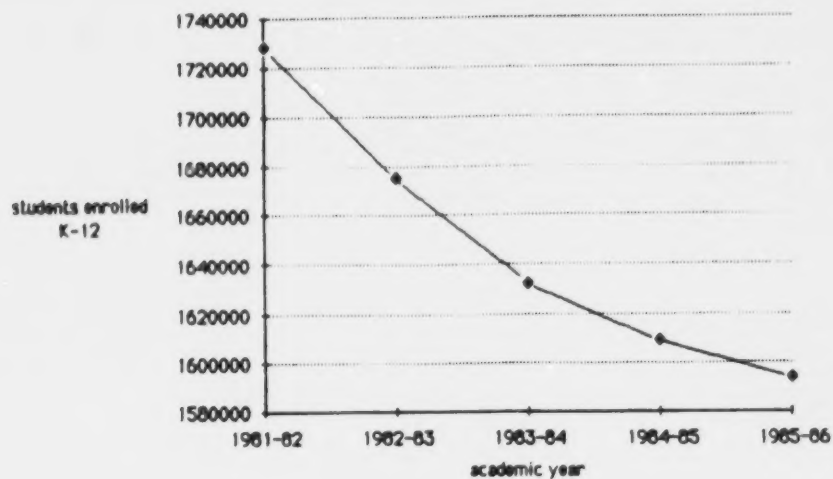


Figure 4 Michigan: Student Enrollment Trends for a Five-Year Period

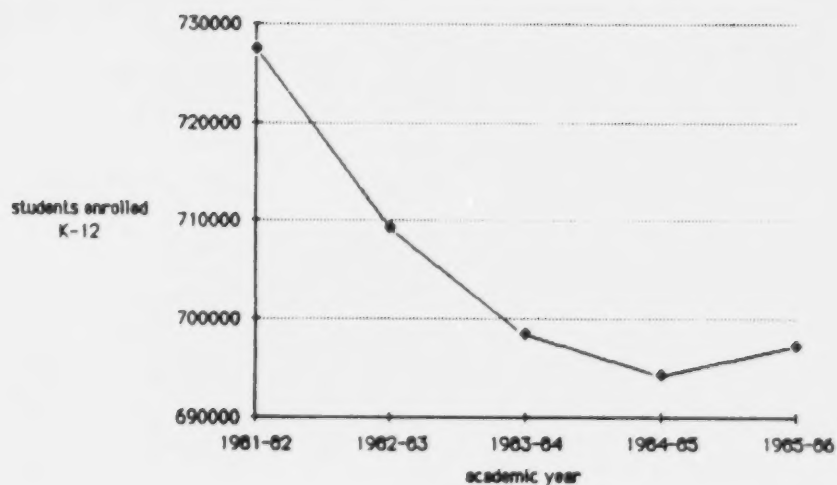


Figure 5 Minnesota: Student Enrollment Trends for a Five-Year Period

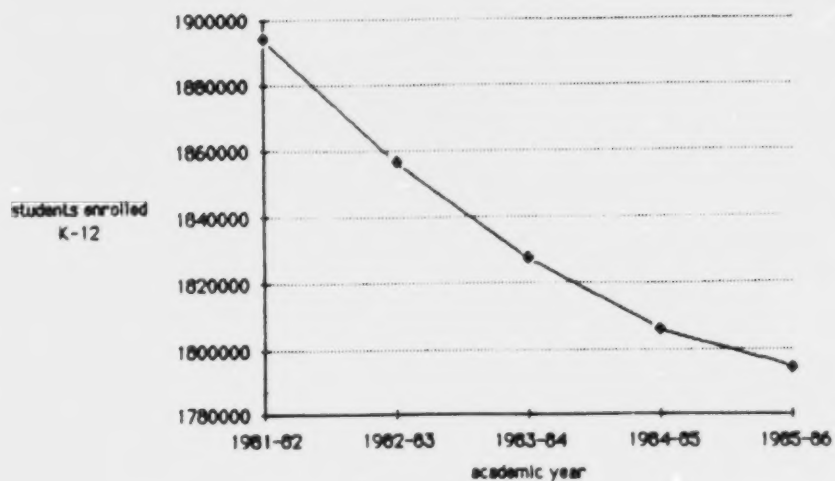


Figure 6 Ohio: Student Enrollment Trends for a Five-Year Period

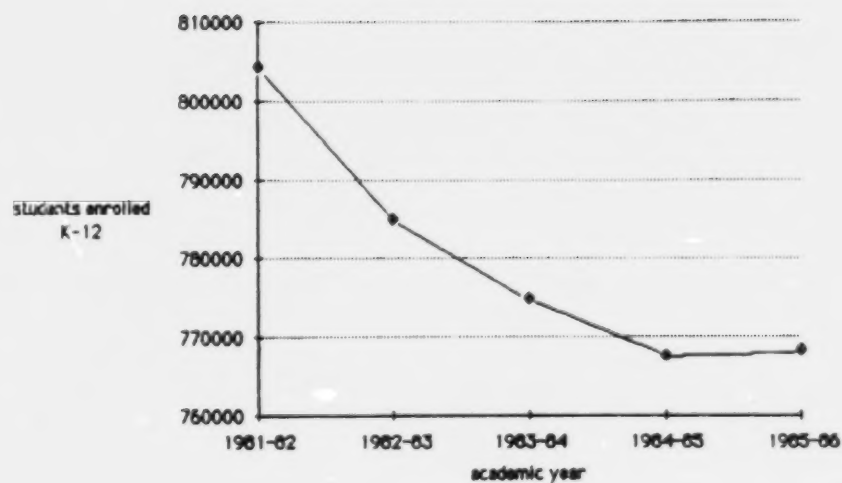


Figure 7 Wisconsin: Student Enrollment Trends for a Five-Year Period

**Attachment B:**  
**Teachers Hired in the NCREL Region**

|           |                                                 |
|-----------|-------------------------------------------------|
| Table 2   | New Teacher Hires in States in the NCREL Region |
| Figure 8  | Illinois: Teachers Hired in a Five-Year Period  |
| Figure 9  | Indiana: Teachers Hired in a Five-Year Period   |
| Figure 10 | Iowa: Teachers Hired in a Five-Year Period      |
| Figure 11 | Michigan: Teachers Hired in a Five-Year Period  |
| Figure 12 | Minnesota: Teachers Hired in a Five-Year Period |
| Figure 13 | Ohio: Teachers Hired in a Five-Year Period      |
| Figure 14 | Wisconsin: Teachers Hired in a Five-Year Period |

Table 2 New Teacher Hires in States in the NCREL Region

| State        | 1981-1982 | 1982-1983 | 1983-1984 | 1984-1985 | 1985-1986 |
|--------------|-----------|-----------|-----------|-----------|-----------|
| Illinois     | 6,597     | 5,343     | 4,891     | 6,428     | 6,954     |
| Indiana      | 1,296     | 1,130     | 1,231     | 1,767     | 1,735     |
| Iowa         | 703       | 743       | 832       | 908       | 822       |
| Michigan     | 899       | 757       | 1,893     | 2,330     | 3,343     |
| Minnesota    | 1,475     | 631       | 871       | 1,416     | 1,586     |
| Ohio         | 5,557     | 4,924     | 6,929     | 7,986     | 7,703     |
| Wisconsin    | 1,579     | 1,497     | 2,322     | 2,736     | 3,322     |
| Region Total | 18,106    | 15,025    | 18,969    | 23,571    | 25,465    |

Figures provided by State Education Agencies

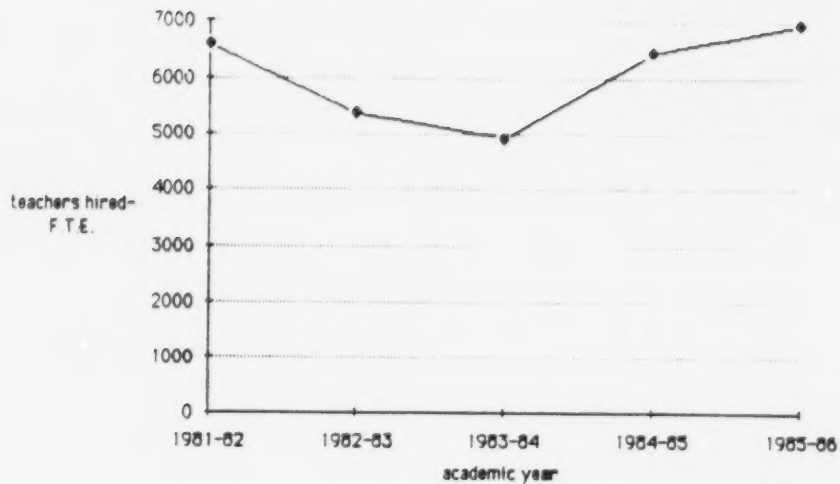


Figure 8 Illinois: Teachers Hired in a Five-Year Period

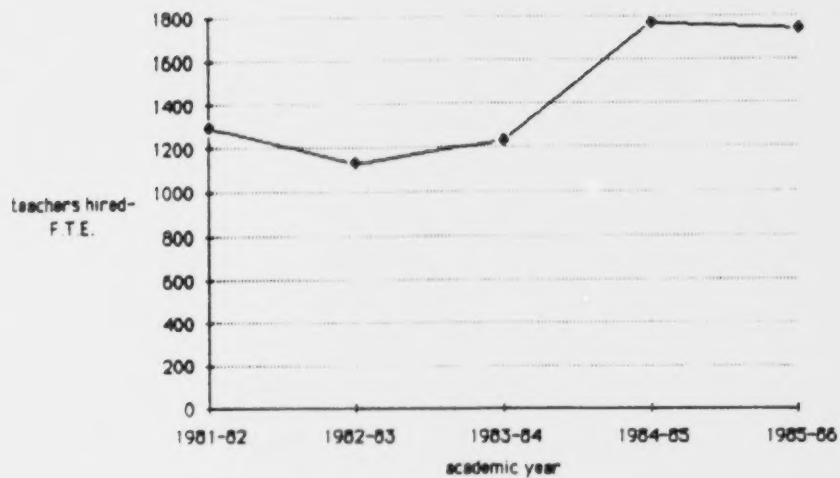


Figure 9 Indiana: Teachers Hired in a Five-Year Period

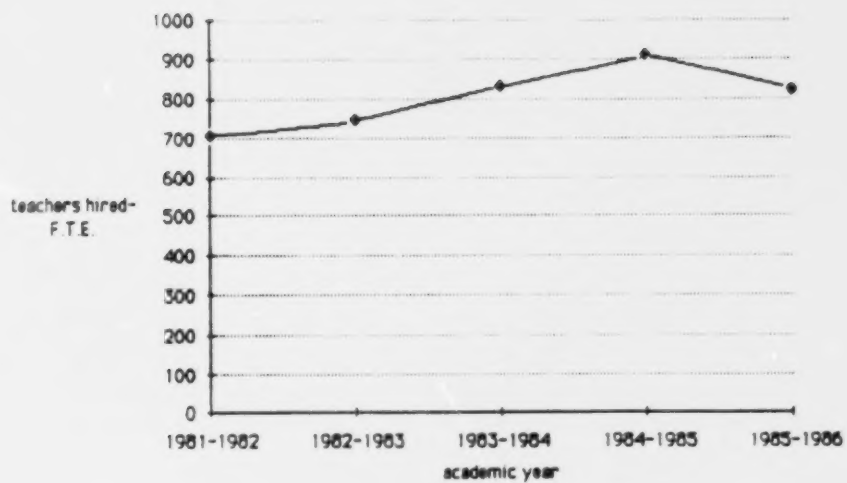


Figure 10 Iowa: Teachers Hired in a Five-Year Period

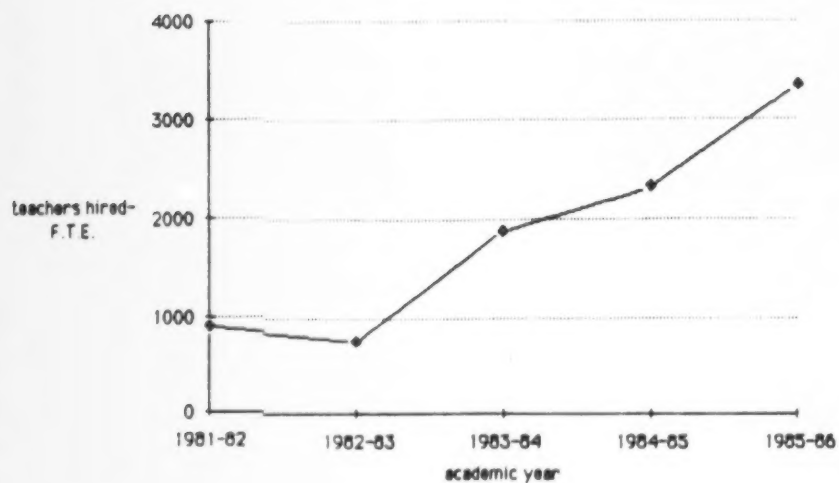


Figure 11 Michigan: Teachers Hired in a Five-Year Period

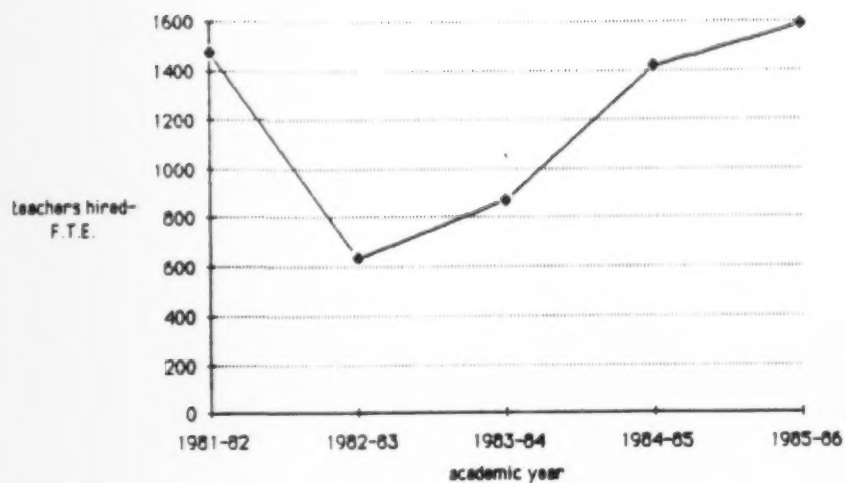


Figure 12 Minnesota: Teachers Hired in a Five-Year Period

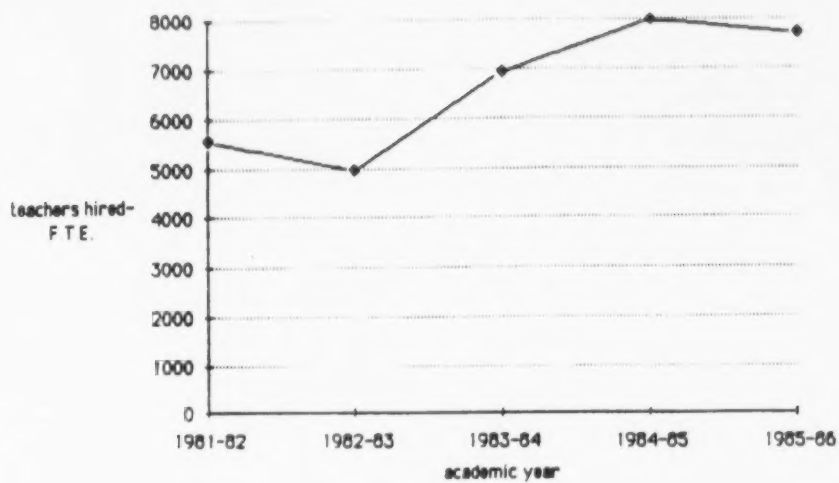


Figure 13 Ohio: Teachers Hired in a Five-Year Period

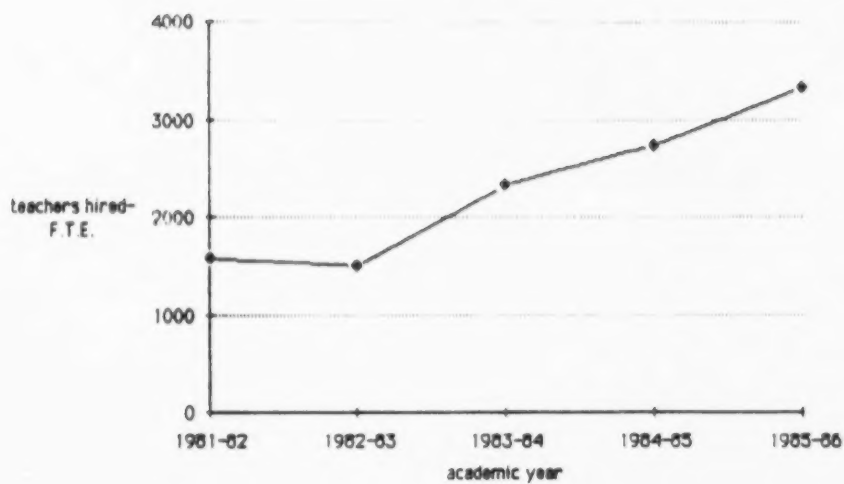


Figure 14 Wisconsin: Teachers Hired in a Five-Year Period

**Attachment C:**  
**Collective Bargaining**

Figure 15    Scope of Collective Bargaining in the NCREL Region

Figure 15 Scope of Collective Bargaining in the NCREL Region

| State     | Teacher Bargaining Rights                                                | Scope of Bargaining                                                                                                                                                                                                                                                                                                                                           | Management Rights                                                                                                                 |
|-----------|--------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------|
| Illinois  | Duty to bargain                                                          | Wages, hours, and other terms and conditions of employment                                                                                                                                                                                                                                                                                                    | Managerial policies<br>Standards of service<br>Overall budget structure<br>Selection of new employees<br>Direct work of employees |
| Indiana   | Duty to bargain<br>Duty to discuss some education policy issues          | Salaries, wages, hours and wage-related fringe benefits<br>Duty to discuss curriculum development and revision, textbook selection, teaching methods, selection and assignment or promotion of personnel; student discipline, expulsion or supervision of students, pupil/teacher ratio, class size, budget appropriations and other conditions of employment |                                                                                                                                   |
| Iowa      | Duty to bargain                                                          | Wages, hours, vacations, insurance, holidays, leave, shift differential, overtime, supplemental pay, seniority, transfer procedures, job classifications, health and safety, evaluation, staff reduction, in-service training, and other mutually agreed upon matters; excluding merit system and retirement                                                  | Direct work of employees<br>Hire, promote, and demote                                                                             |
| Michigan  | Duty to bargain                                                          | Wages, hours and other terms and conditions of employment                                                                                                                                                                                                                                                                                                     |                                                                                                                                   |
| Minnesota | Duty to bargain<br>Meet and confer with professional employees on policy | Terms and conditions of employment; defined as hours, compensation, fringe benefits (retirement excluded), personnel policies affecting working conditions and grievance procedures<br>Education policies excluded<br>Meet and confer on services being provided to the public that are not specified above                                                   | Policy, budget, technology, organizational structure and selection of personnel                                                   |

| State     | Teacher Bargain-<br>ing Rights | Scope of<br>Bargaining                                                                                                                                                                                                                                                                                                                                                                                                                                 | Management Rights                                                                                                                                                                                                                                                                                                                                                                                                                                  |
|-----------|--------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Ohio      | Duty to bargain                | Wages, hours or terms and nego-<br>tiation; continuation, modifica-<br>tion or deletion of and existing<br>provision of a collective bar-<br>gaining agreement; the conduct<br>and grading of civil service<br>examinations; impasse procedures<br>may be negotiated                                                                                                                                                                                   | Determine matters of<br>inherent managerial<br>policy; functions<br>and programs of em-<br>ployer; standards of<br>service; overall<br>budget; utilization<br>technology; organi-<br>zational structure;<br>direct, supervise,<br>evaluate employees;<br>suspend, discipline,<br>demote or discharge<br>for just cause, or<br>layoff, transfer,<br>assign, schedule, pro-<br>mote or retain em-<br>ployees; determine<br>adequacy of work<br>force |
| Wisconsin | Duty to bargain                | Wages, hours, and conditions of<br>employment<br>Mandatory subjects of bargaining<br>include:<br>teacher participation in evalu-<br>ation procedures; scope of teach-<br>er evaluation and employment re-<br>cords; teacher access to such<br>files and records; just cause for<br>contract renewal; reduction-in-<br>force procedures; problem stu-<br>dents; teacher safety; school<br>calendar and inservice training<br>days; impact of class size |                                                                                                                                                                                                                                                                                                                                                                                                                                                    |

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Information provided by AFT Research Department

**Attachment D:**  
**Teacher Salaries and Cost Considerations**

Table 3      Beginning and Average Teacher Salaries in States in NCREL Region

Table 4      Costs by State to Raise Average Teacher Salary to \$35,000

Table 3 Beginning and Average Teacher Salaries in States in NCREL Region

| State     | Average Beginning Salary<br>1985-1986 | Average Salary<br>1985-1986 |
|-----------|---------------------------------------|-----------------------------|
| Illinois  | \$16,173                              | \$26,925                    |
| Indiana   | \$15,620                              | \$24,325                    |
| Iowa      | \$14,784                              | \$21,690                    |
| Michigan  | \$16,065                              | \$30,000                    |
| Minnesota | \$17,500                              | \$25,581                    |
| Ohio      | \$14,767                              | \$24,518                    |
| Wisconsin | \$16,452                              | \$26,347                    |
| Regional  | \$15,909                              | \$25,627                    |

Figures provided by State Education Agencies

Table 4

Costs by State to Raise Average Teacher Salary to \$35,000

|           |                   |
|-----------|-------------------|
| Illinois  | \$809.4 million   |
| Indiana   | \$553.4 million   |
| Iowa      | \$411.2 million   |
| Michigan  | \$381.6 million   |
| Minnesota | \$325.5 million   |
| Ohio      | \$1,031.4 million |
| Wisconsin | \$374.7 million   |

**Attachment E:**  
**Teacher Testing and Teacher Evaluation**

Table 5      Mandates for Teacher Competency Testing in NCREL Region

Table 6      Provision for Teacher Performance Evaluation in NCREL Region

Table 5 Mandates for Teacher Competency Testing in NCREL Region

| State     | Mandate                     | Date to be Implemented          | Type of Test                                       |
|-----------|-----------------------------|---------------------------------|----------------------------------------------------|
| Illinois  | Legislative                 | 1988                            | Customized                                         |
| Indiana   | Legislative                 | 1984-85                         | National Teachers' Exam<br>Customized              |
| Iowa      | None                        |                                 |                                                    |
| Michigan  | Legislative                 | Initiate 1987<br>Implement 1991 | Basic Skills/Customized<br>Subject Area/Customized |
| Minnesota | Legislative                 | 1987-88                         | Customized                                         |
| Ohio      | State Board<br>of Education | 1987                            | Customized                                         |
| Wisconsin | Legislature                 | 1987                            | Customized                                         |

Table 6 Provision for Teacher Performance Evaluation in NCREL Region

| State     | Teacher Evaluation Provisions                                                                                                                                                      |
|-----------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Illinois  | All districts required to evaluate staff at least once every two years. Plans are submitted to the State.                                                                          |
| Indiana   | All districts required to establish plans before 1989. Plans are locally created to meet state established guidelines.                                                             |
| Iowa      | Required training for all who will evaluate teacher performance.                                                                                                                   |
| Michigan  | Local Initiative                                                                                                                                                                   |
| Minnesota | Beginning teachers evaluated before receiving continuing certificate; must complete one year of satisfactory teaching; planned sequence of evaluation for all continuing teachers. |
| Ohio      | State required supervision and evaluation of certificated staff according to planned sequence.                                                                                     |
| Wisconsin | DPI has developed and is piloting an instrument for local use.                                                                                                                     |



